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BEFORE THE BOARD OF MILK CONTROL  
OF THE STATE OF MONTANA  
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES



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2001

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**PRODUCER CLASS I PRICE IN MONTANA**

REF: ARM 32.24.301(5)

**CLASS I PRICE FOR MILK TESTING 3.5%**

**\$16.54 /CWT**

**CLASS I BUTTERFAT PRICE PER POUND**

**\$1.85 /LB**

**EFFECTIVE FEBRUARY 1, 2001:**

The minimum price to pay milk producers, under ARM 32.24.301, is \$16.54 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of 18.5 cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be \$1.85.

**PRODUCER CLASS II PRICE IN MONTANA**

REF: ARM 32.24.301(6)

**CLASS II PRICE FOR MILK TESTING 3.5%**

**\$11.89 /CWT**

Average spray process dry milk solids

price per pound = \$1.05250  
Multiplied by 8.2 x 8.2

\$8.63050

\$8.63050

Last quote of the month for Grade AA butter

minus a differential of \$.0895 = \$1.03800  
Multiplied by 4.2 x 4.2

\$4.35960

+ \$4.35960

LESS a make allowance of 8.5% ( \$12.9901 X .085)

- \$1.10416

\$11.88594

Rounded to the nearest whole cent = \$11.89 /hundredweight.

**CLASS II BUTTERFAT PRICE PER POUND****\$1.15 /LB**

Last quote of the month for Grade AA butter				
minus a differential of \$.0895	=	\$1.03800	X .111 )	=
Rounded to the nearest half cent				=
				\$0.11522
				\$0.115

Butterfat value per pound		
for milk at 3.5% test:	\$1.15	

Hundredweight price of milk testing 3.5%		=	\$11.89
LESS 3.5 pounds of butterfat at	\$1.15	per pound	-
Value of 96.5 pounds of skim			=
			\$7.865

**CLASS II VALUE OF****ONE POUND OF SKIM**

7.865 / 96.5 pounds)	=	\$0.08150 /LB
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**PRODUCER CLASS III PRICE IN MONTANA**

REF: ARM 32.24.301(7)

**CLASS III PRICE PER CWT FOR MILK TESTING 3.5%****\$10.17 /CWT**

3.5 pounds of butterfat	\$0.93	per pound =	\$3.255
96.5 pounds of skim	\$0.07163	per pound =	\$6.913
			\$10.168 /CWT

**CLASS III BUTTERFAT PRICE PER POUND****\$0.93 /LB**

Last quote of the month for Grade AA butter		
minus a difference of \$.0895	=	\$1.03800
LESS 10%		\$0.10380
		\$0.93420

Rounded to the nearest whole cent	\$0.93	per pound.
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**CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED****\$7.16332 /CWT**

Avg. spray process dry milk solid price/lb	\$1.05250
Multiplied by 8.2	8.2
	\$8.63050
LESS 17%	\$1.46719
	\$7.16332

Rounded to the nearest whole cent	\$7.16	per hundredweight.
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BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: *Mariys M. Mattfeldt*  
 Mariys M. Mattfeldt, Bureau Chief  
 Montana Milk Control Bureau

## BREAKDOWN BY TEST FOR CLASS I, II &amp; III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$16.43 FOR 3.5% MILK 96.5 LBS = \$9.955		CLASS II SKIM PRICE BASED ON \$11.89 FOR 3.5% MILK 96.5 LBS = \$7.865		CLASS III SKIM PRICE BASED ON \$10.17 FOR 3.5% MILK 96.5 LBS = \$6.913	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.10210	2.50	\$0.08067	2.50	\$0.07090
2.55	\$0.10215	2.55	\$0.08071	2.55	\$0.07093
2.60	\$0.10221	2.60	\$0.08075	2.60	\$0.07097
2.65	\$0.10226	2.65	\$0.08079	2.65	\$0.07101
2.70	\$0.10231	2.70	\$0.08083	2.70	\$0.07104
2.75	\$0.10237	2.75	\$0.08087	2.75	\$0.07108
2.80	\$0.10242	2.80	\$0.08092	2.80	\$0.07112
2.85	\$0.10247	2.85	\$0.08096	2.85	\$0.07115
2.90	\$0.10252	2.90	\$0.08100	2.90	\$0.07119
2.95	\$0.10258	2.95	\$0.08104	2.95	\$0.07123
3.00	\$0.10263	3.00	\$0.08108	3.00	\$0.07126
3.05	\$0.10268	3.05	\$0.08112	3.05	\$0.07130
3.10	\$0.10273	3.10	\$0.08117	3.10	\$0.07134
3.15	\$0.10279	3.15	\$0.08121	3.15	\$0.07137
3.20	\$0.10284	3.20	\$0.08125	3.20	\$0.07141
3.25	\$0.10289	3.25	\$0.08129	3.25	\$0.07145
3.30	\$0.10295	3.30	\$0.08133	3.30	\$0.07148
3.35	\$0.10300	3.35	\$0.08138	3.35	\$0.07152
3.40	\$0.10305	3.40	\$0.08142	3.40	\$0.07156
3.45	\$0.10311	3.45	\$0.08146	3.45	\$0.07160
3.50	\$0.10316	3.50	\$0.08150	3.50	\$0.07163
3.55	\$0.10321	3.55	\$0.08154	3.55	\$0.07167
3.60	\$0.10327	3.60	\$0.08159	3.60	\$0.07171
3.65	\$0.10332	3.65	\$0.08163	3.65	\$0.07174
3.70	\$0.10337	3.70	\$0.08167	3.70	\$0.07178
3.75	\$0.10343	3.75	\$0.08171	3.75	\$0.07182
3.80	\$0.10348	3.80	\$0.08176	3.80	\$0.07186
3.85	\$0.10354	3.85	\$0.08180	3.85	\$0.07189
3.90	\$0.10359	3.90	\$0.08184	3.90	\$0.07193
3.95	\$0.10364	3.95	\$0.08188	3.95	\$0.07197
4.00	\$0.10370	4.00	\$0.08193	4.00	\$0.07201
4.05	\$0.10375	4.05	\$0.08197	4.05	\$0.07204
4.10	\$0.10381	4.10	\$0.08201	4.10	\$0.07208
4.15	\$0.10386	4.15	\$0.08206	4.15	\$0.07212
4.20	\$0.10391	4.20	\$0.08210	4.20	\$0.07216
4.25	\$0.10397	4.25	\$0.08214	4.25	\$0.07219
4.30	\$0.10402	4.30	\$0.08218	4.30	\$0.07223
4.35	\$0.10408	4.35	\$0.08223	4.35	\$0.07227
4.40	\$0.10413	4.40	\$0.08227	4.40	\$0.07231
4.45	\$0.10419	4.45	\$0.08231	4.45	\$0.07235
4.50	\$0.10424	4.50	\$0.08236	4.50	\$0.07238

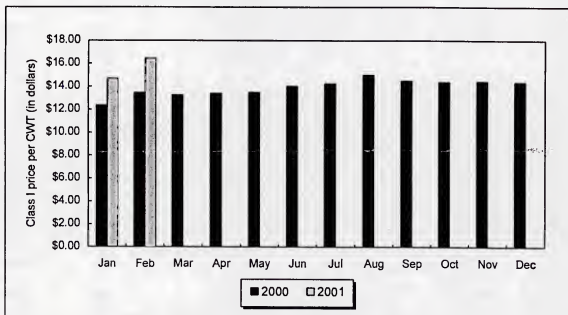
## PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 1999 and 2000

Statistics from the Montana Milk Control Bureau

Month	2000	2001	Difference	% Change
January	\$12.34	\$14.68	\$2.34	18.96%
February	\$13.45	\$16.43	\$2.98	22.16%
March	\$13.26	\$0.00		
April	\$13.39	\$0.00		
May	\$13.48	\$0.00		
June	\$14.03	\$0.00		
July	\$14.25	\$0.00		
August	\$15.01	\$0.00		
September	\$14.50	\$0.00		
October	\$14.39	\$0.00		
November	\$14.44	\$0.00		
December	\$14.37	\$0.00		
Average	\$13.91	\$2.59	\$2.66	20.56%

Prices are per hundredweight (CWT).

**Completion of pooling (prior to audit) shows the producer quota blend prices to be:**

NOV 2000: class I = \$9.68; class II = \$1.53; Class III = \$2.18; total = \$13.39

(calculations based upon utilization percentages of butterfat &amp; skim)